

Idaho State Tax Commission  
**SALES TAX RULES COMMITTEE**

**ATTENDEES:** McLean Russell, Saul Cohen, Lawrence Kolb, Timothy Hurst, Renee Marsh, Erick Shaner (via phone), Laura Turner, Susan Foster and Sherry Cann.

**MINUTES:** No previous minutes were read and approved.

**LEGISLATIVE  
UPDATE:**

Saul gave a legislative update regarding the bills relating to sales and use tax.

- HB13 – initiated by the tax commission, relating to amending the statute dealing with responsible party liability. *Nothing has happened on this yet.*
- HB15 – initiated by the tax commission, gives a specific statutory definition for the use of words ‘primary’ and ‘primarily’. *It passed the House, and has a do-pass recommendation in the Senate local government and taxation committee.*
- HB62 – exemption requested, prepared by some legislators and some constituents, a bill to amend 63-36220, lists some exempt entities under the tax code, including certain not-for-profit health related entities. The addition being sought is for non-profit pregnancy resource clinics that do not perform abortions. If this gets passed, it will provide an exemption on all purchases made by those clinics. *It has been given a do-pass in the House committee.*
- HB 24 -63-3638 has a designation for counties to help defray the cost of elections, so they get a cut of the sales tax. This amendment will adjust the amount the counties get. This has passed the House.
- HB79 – emergency telecommunications fee. This is not a tax; it is a fee (started in local government committee) that funds the emergency 911 communications fund fee. This deals with pre-paid phone cards/track phone minutes. This legislation will add this fee onto the pre-paid purchases. *This bill hasn’t been acted on yet.*

**NEW BUSINESS:** Negotiated rule making and renumbering of sales tax rules were briefly discussed. Saul suggested on the renumbering issue, to wait and see what happens with the streamlined sales tax bill. This will be looked at again after the legislature closes.

**RULE 100** Paragraph 5(a), refers to a dispensing charge with the purchase of eye glasses and contact lenses. This is creating confusion, and it’s suggested to delete 5(a). Larry will take this to Lee in Audit for further discussion. Saul suggested deleting 5(a) completely.

RULE 130 Tim explained how promoter sponsored events are administered. He discussed the ST-124 forms used by vendors to apply for a temporary sales tax permit. Idaho Code § 63-3620C is what controls the obligation placed on the promoter. It was discussed if the Tax Commission has the authority to request a master list of all vendors at an event. McLean feels subsections 1 and 2 of the statute are broad enough for us to ask for the master list. Tim would like the ability to ask for a master list on occasion, but not have it be required every time. There were no objections for the option of asking for the master list. It was further discussed about the ST-124 acting as a temporary seller's permit, along with the other changes proposed in subsections 01 through 06 of the rule.

RULE 010 Travel & Convention tax – This will probably go into negotiated rulemaking to determine the definitions of structures on campgrounds. McLean will get in touch with Parks & Rec department that administers the campgrounds.

There were no objections to a notice of intent for all three of these rules.

It was also noted that McLean will try to have this committee all set on Sharepoint before the next meeting to be able to work on drafts between committee meetings.

The meeting was adjourned.

*McLean Russell*  
*Chairman*

*Sherry A. E. Cann*  
*Rules Coordinator*